

We need to work to regain the confidence of the hardworking Americans like Leslie and Rebecca that they had in the past in our government, but no longer. This requires us to vote against budget proposals that include cap-and-trade and that hurt small businesses and discourage charitable giving.

We need a road to recovery that includes curbing wasteful spending, focusing on job creation and debt control. We need to do what is best for our country, and I'm committed to looking for alternative solutions and fighting for a capitalistic democracy.

#### FAMILY SMOKING PREVENTION AND TOBACCO CONTROL ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. MCCLINTOCK) is recognized for 5 minutes.

Mr. MCCLINTOCK. Madam Speaker, today this House passed H.R. 1256, which takes tobacco regulation to a whole new level and, at the same time, imposes onerous new fees that are going to be transferred to consumers as higher prices. The entire debate over the bill was over what method should be used to do so. Before we close today's proceedings, I'd like to offer a somewhat different perspective.

Many years ago, author and commentator Bruce Herschensohn made this point. He said, "For every pleasure in life, there is a corresponding risk. I think that's a universal truth—for every pleasure in life, there is a corresponding risk."

And he pointed out that it's true that with enough taxes and laws and restrictions and regulations and penalties and lectures, government can produce a virtually risk-free society. But it will also be one of the most colorless, pleasureless, tedious, and miserable societies ever conceived by the mind of man. I believe that's the case.

The health risks of smoking are real and they are well-documented. Our schools rightly make a concerted effort to inform every child of the health risks of tobacco—and they do a good job of it. Our government warns every adult of the health risks of tobacco—and they do a good job of it, too.

As a result, I don't believe there's a single individual in the United States who doesn't well and fully comprehend the health risks of tobacco. But once those warnings are issued, how much farther should government go to make individual decisions for rational adults if they weigh the risks of smoking for themselves?

Ten years ago, after California had imposed yet another tax on tobacco products, I got a letter from a woman who said, "I'm 81 years old. I have been smoking my entire life. If I have to quit now, I'm going to die." She then went on to meticulously calculate how much the new tax cost would cost her on her limited, fixed income, and asked if I could help.

Madam Speaker, in every society, in every part of the world, in every period of history there is always a large group of people who simply want to be left alone to live their lives according to their own best judgment. And there's always a smaller but more domineering group who believe they're so good at running their own lives that they're just naturally entitled to run everybody else's as well.

Rarely has that conflict between these two groups come into sharper focus than in the ongoing efforts to restrict and regulate and tax and harass and intimidate individuals who, after weighing all the risks, decide to smoke anyway.

Personally, I think they're making a very bad decision. But they probably think others are making a very bad decision when they decide to go skiing or bungee jumping or skydiving or thousands of other pleasures that incur corresponding and calculated risks.

I wonder tonight whatever happened to the notion of personal responsibility and whatever happened to the notion, as Jefferson put it, of "a wise and frugal government which shall restrain men from injuring one another but shall leave them otherwise free to regulate their own pursuits of industry and improvement."

#### REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 265

Mr. BISHOP of Utah. Madam Speaker, the gentlelady from Texas, who is still here on the floor, had inadvertently put me as one of the cosponsors on H.R. 265. I would ask unanimous consent to have my name removed from that particular bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Utah?

There was no objection.

#### MAKING A PARADIGM SHIFT

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 2009, the gentleman from Utah (Mr. BISHOP) is recognized for 60 minutes as the designee of the minority leader.

Mr. BISHOP of Utah. A few weeks ago, I was in my office and a respiratory therapist had come into the office. He was talking about one of the patients that he had who came up and asked him if she could have a stronger medicine because what she was using simply did not work for her.

So he said, Well, why don't you show me how you're using it. She showed him how she used it, and he said, Is that the way you always use it? The patient said, Yes. Then he said, Well, let's try it one more time—except this time why don't you take the cap off first.

Now, sometimes I think in the policies that we develop here in the United States we have the same process—we go through the motions but we simply

don't flat out take the cap off first. One of the things we need to do to solve our problem is simply take the cap off.

We have had an energy policy in this country for the last 40 years. It's basically been, we develop nothing in the United States and we insist on living on cheap foreign oil. The problem is, doing nothing in the United States for 40 years has put us into a situation that is very tenable. The other problem is there is no longer cheap foreign oil.

We have just recently voted on this floor on a budget—a budget outline. A budget outline that, quite frankly, taxes too much and spends too much and borrows too much. We've all heard that before because, to be honest, whether you talk now about the budget itself or the phrases of taxing, spending, and borrowing, they're basically a redundancy. They are indeed the same thing.

What we have also done in this House is make a major paradigm shift. For the last 20 years, we have been functioning under the basic philosophy that the individual is significant and important. The individual has a worth that is divine. That once you empower that individual and give that individual options, you're ennobling that person.

Well, the budget we just passed changes that basic philosophy. It changed that basic philosophy to say instead of empowering individuals, it is now the role and function of the Federal Government to solve people's problems. The Federal Government must now be given the power because the Federal Government now becomes the sole solution to the issues and needs of individuals.

Those of us in the West, members of the Western Caucus, have a different point of view because we basically trust people. We recognize that one of the most important things that should be given to any individual is options and choices.

People of the United States must be given options and choices so they can make a decision on how they want their life to develop. States should be given options and choices, regions should be given options. Whenever we try to establish a one-size-fits-all system from Washington, what we do is limit the ability to empower individuals to make decisions for themselves and to change their own lives.

When I was growing up, the only kind of music you could buy were on vinyl records. If you wanted a particular song, you had to basically buy the entire record.

With new gadgets today, even though they have become much smaller than this one that I still have absolutely no idea how to use, with gadgets like these today you can actually download the one record you want. You have a choice. You have options.

And it seems one of the ironies of our life today is that in every facet of human life, options prevail. People have choices—except when it comes to

dealing with the government. When that takes place, there is only one choice given: it is the Federal Government's choice.

We are moving dangerously into an area where that becomes the predominant philosophy and the predominant result. Actually, the last bill upon which we voted today, that was exactly the philosophy behind that bill.

It resolves itself also in the way we look at our energy policy and our energy future. We could solve many of our problems if we just had a wiser energy policy. I recognize that there are many people that said the budget we just did is not specifics; it's just broad parameters and directions for the future and whatever. But the basic problem remains that when we talk about people and we insist that our policy as a government should be to give options to people, then we will come with an entirely different approach and a strong and intelligent and rational energy policy for the United States that can open up the opportunities for—I don't care whether we're talking about cap-and-trade or oil leases or oil shale or the energy war on the poor or the myth of green jobs—what we need in each of those areas is to have the government open up options for individuals.

One of the good things about my party is that in every one of these issues we are presenting alternative Republican options.

□ 2000

We are trying to take the cap off to try and solve problems by looking at the issue in a new way and, in a new degree, based on options.

One of those that has been introduced is the no-cost stimulus bill. A conservative estimate of the no-cost stimulus bill will say that this particular measure, whose goal is, once again, to increase the options that America has with its energy policy, would create at least 2 million new jobs and would introduce at least \$10 trillion of economic growth into our economy. It would reduce the cost of living for individuals, and it would do it with absolutely no tax increase.

Now, I know we have had a lot of people talking in the last few weeks about the idea that the majority of Americans, if our future path goes true, would not face a tax increase. In fact, for many it would be the indications of a middle-class tax cut. I want you to know that I have an element of skepticism with that, because I clearly remember the last time a President and Congress promised me a middle-class tax cut, or at least no increases of middle-class taxes.

At that particular time I was a school teacher making less than \$30,000 a year. And I guess I should have been grateful that the Federal Government in their wisdom would have classified me as one of the rich in America; because in that particular year, when I was offered the opportunity and the

guarantee that there would be no increases but instead there would be a decrease in middle-class taxes, that is the year I faced the largest tax increase I have ever faced in my life. My wife had just taken a second job, and everything that she brought in that year was used simply to pay for the tax decrease that I had been promised.

I guess it goes back to the original concept of how income tax was developed. You know, when income taxes were first established, the idea was that somebody else would be taxed to pay for everything. The idea was that only .5 percent—so you know something has changed over the years; .5 percent of your income would be taxed, but the first \$3,000 were excluded, which was meaning basically everybody in America who was a middle-class worker was excluded from taxes. This was going to be a tax on only those rich people.

Ironically enough, 80 percent of the people who would be impacted by the first time we instituted an income tax in this country actually lived in only four States. And, ironically enough, those representatives from those four States were the ones who voted against instituting an income tax. And, ironically enough, in the debate on the Senate on that installment or beginning of an income tax, the actual debate that took place was a Senator stood up and he said, once we have an income tax, the government will be more responsible for the way it handles other people's money.

I think you have seen some changes in that; which is, once again, why I am so insistent that the no-cost stimulus bill is one we should be considering, because there is zero tax increase to the taxpayer, as opposed to the other budgets we are looking about that simply tax too much, spend too much, and borrow too much.

The No-Cost Stimulus Act treats States fairly. It deals with increasing our net wealth in this country by the use of royalties. If that bill were put into effect, just in the Alaska coast alone there would be \$95 billion of new corporate tax, not imposed on the company, but developed by the expansion of that company. There would be \$114 billion in new royalties that would be coming in and used in this particular country. It would create, just in that one area of Alaska alone, 730,000 new jobs; versus the bill we just passed, which has a specific \$80 billion tax on the oil industry alone, which creates no new jobs, which provides no new income. But that tax on that company is going to be passed on to middle-class taxpayers in this country.

Because, you see, we were talking to an oil executive the other day, and he simply said: It is obvious. If we tax a business, like this \$80 billion tax on only the oil industry, they are going to pass it on to consumers. That is the way it will always be.

Sometimes we play games here in the District of Columbia where the idea is,

we are not going to tax people, we will just tax the business; which business then passes that on to the people in the first place. And how is that going to come? I promise you, it is not going to be shown simply at the pump.

Of every barrel of gas and oil that is produced, not all of that goes for energy consumption. A barrel of oil produces exactly 44.68 gallons of product. Of those 44.68 gallons, 19 of them will eventually become gasoline running your cars; nine will be diesel, a fuel; three will be jet fuel. The rest goes to other kinds of products that people use all the time.

We think about oil and gas increases as something that only deals with transportation issues. But when I get on the next airplane, if I get a new Boeing 787 or any of the newer planes, you have to realize that one of reasons these planes are becoming more fuel efficient is because they are lighter weight, which means they are now using composite material. Over 50 percent of the entire airplane of the Boeing 787 will be composed of composites, and all of that composite is made from natural gas.

When you sit on an airplane, you are sitting on natural gas. If you go out to your farmer, or even in your back garden and you need to put some fertilizer on that, realize that fertilizer is a by-product of natural gas. When we fail to develop natural gas in this country, we put farmers at a disadvantage to the point that even today we are importing fertilizer from Russia because we are not doing enough to help ourselves.

Five percent of the global natural gas consumption goes to ammonia, which is the basic product used in fertilizer.

Whenever you pick up one of those electronics that you play with, when your kids start playing with it, they are made of lightweight plastics. That is oil and a natural gas. All of those are developed that way. If you get tired of watching your kids play with those electronics, or you get tired of listening to me speak tonight and you decide to go take an aspirin, I hate to say that, but that is oil and natural gas. What you don't know is that aspirin is derived from hydrocarbons that are found in every barrel of oil.

If you want to have Kevlar to protect our soldiers or our police, you are going to make that stuff out of oil and natural gas. If you are walking around right now, you might look at your shoes and figure out that the stuff that holds them together comes from oil and a natural gas. If you are the tying them, the strings are a petrochemical compound. In fact, the soles are probably going to be imitation rubber, all of which comes out of a barrel of crude oil. Even the shoe polish you use comes from oil and natural gas. If you have a PVC pipe in your basement, that comes from petrocarbons. If you use a ballpoint pen to write a letter—in fact, I have in my hand a list of 84 examples of products that utilize oil and natural

gas as the basis of those products, everything from golf balls to pantyhose to perfume to dentures.

And how are the companies that are now being hit by an \$80 billion oil tax going to recoup that? They are passing it on to anyone who uses golf balls or pantyhose or dentures or perfumes, or who writes with a pen or sits on plastic or who wears shoes or who flies in an airplane. That is a tax on all of us when we increase the cost of living.

And how do we solve that problem? Well, we need to look around and simply decide that, as a policy, we are going to take the cap off the medicine, we are going to think of new options, and use what we have to solve our problems, to make our life better, and to solve our budgetary problems, because we have the capacity to do it. We just are refusing to do it right now.

Mr. Speaker, at this time, if I may, I would like to yield some time to the gentleman from Louisiana, who has come up here and done such a great job in his first year as a Member of the House of Representatives. He also comes from an extremely significant energy region, which is going to be impacted not only by the budget we just passed but also by the energy policy decisions we make in the near future.

If I could yield to the gentleman from Louisiana, Mr. FLEMING, I would appreciate it.

Mr. FLEMING. Well, first of all, I thank the gentleman from Utah, Mr. BISHOP, for his leadership in this area, both on the budget as well as the discussion on petroleum. He was a leader and the one who took the initiative on this no-cost stimulus plan, which I also cosigned as well, along with Mr. VITTER on the other side of the House and I think one or two other Senators. So I thank Mr. BISHOP for his leadership and also allowing me to participate in the discussion tonight about the budget.

What has happened here this afternoon in passing this budget in the House of course yields three very bad things; that is, a budget that spends too much, taxes too much, and borrows too much.

It was only a few days ago that I spoke on the floor here about the fact that it is not just a matter of how much we spend, but it is a matter of where do we get this money from? And there is only two ways to get money that you don't have, and that is if you discount the Social Security Trust Fund, which we of course steal from daily. That is, either to borrow money, and you have to find people who have got the kind of dough that can lend that; or, you have got to print it out of thin air.

Well, who have we been borrowing money from? Well, we have been borrowing it from China. And the amount of spending that we are doing is now getting to an extent that even the Chinese, who seem to be flush with cash, can't seem to keep up and don't know how long that they are going to be able

to lend us money before those interest rates begin going up.

Well, of course the other option is to print money. And we have been through that before. In fact, there is a number of precedence that we have seen over history, and the one that I point out that is the most poignant is pre-World War II Germany. And what happened there?

After World War I, the winning powers of the allies imposed a war reparation requirement on Germany. Germany couldn't afford this, and so in order to pay the money back, money they didn't have, they just simply printed it. And of course they had humongous inflationary rates to the point where, to buy a loaf of bread, you had to actually carry your currency in a wheelbarrow. Zimbabwe today is having a very similar situation.

We have also seen this precedence in our own economy. The spending spree that we went on in the sixties began to hit us in the seventies, along with, of course, the oil and gas problems that we had. And by the late seventies we had severe problems with inflation that was as high as 10, 12, 13 percent. And it was one of those things where, if you didn't get a raise every year, you were actually getting your pay cut. That ultimately led to terrifically high interest rates in the range of 20 percent, and of course we went into a severe recession in the early eighties.

It seems like that we in this body don't seem to learn the lessons. And the lessons are that any way you frame it, if you spend it, you are going to someday have to pay for it. And, you know, it is interesting in our own personal budgets, in our homes, in our cities, and in our States, we have to balance our budget. But for some crazy reason, we in the Federal Government are not required to balance our budgets.

Sometimes it makes sense to borrow money, just as a in your home you might want to borrow money to take out a mortgage to buy a home, perhaps that makes sense. But when it comes to running up tremendous credit card debt, spending today and paying tomorrow, then certainly it is a very difficult and dangerous way to live, and that is what we are doing today in America.

With this budget that has just been passed, we are seeing that deficits are now immediately exploding from a high of \$500 billion a year to over \$1 trillion a year. We are going to see a debt that already was growing pretty fast accelerate such that it doubles in 5 years and it triples in 10 years. But let me talk a little bit about the subject that my friend Mr. BISHOP was discussing, and that is energy.

This FY 2010 budget has a negative impact on energy, just as he suggested. For one thing, it removes over \$30 billion in tax incentives for oil and gas businesses. Now, I am sure the Shells and the Chevrans can handle that just fine, but the vast majority of explor-

atory drillers out there are small family businesses. And, of course, drilling is a risky operation to begin with, and that is the whole reason for having tax incentives is to encourage businessmen to go out and take a risk. But now that the tax incentives have been removed, what is going to happen? There is going to be less risk taken, there will be less drilling. Of course, that is going to further our oil dependence. And in my State of Louisiana, which is a heavy petroleum dependent State, it is going to tremendously affect jobs, and that is good jobs.

□ 2015

We could, over time, lose as many as 70,000 jobs. And again, we are talking about independent oil drillers. We are not talking about the big ones. The loss of the depletion allowance and the loss of the write-off of intangible drilling costs will effectively shut down these businesses in many cases. It will broaden our dependence on foreign oil, as I mentioned, and result in increased threats to our national security as we have to search around the world to have energy sources to run our Nation.

I support exploring alternative energy resources such as, of course, solar and wind. But when do we expect that we will be pulling up next to a windmill and filling our car up with windmill fuel? It just isn't going to happen. Solar, we are not there yet. None of these technologies are coming on line. Yes, we see them in Europe, but they are subsidized by the governments. They have to stand on their own. We just went through a recent experience with this with ethanol where we were running the cost of feed through corn in order to create ethanol, and that was, of course, done with subsidies. And then in the meantime, it drove up the cost of chicken. And that severely impacted my district, where we have Pilgrims Pride, the chicken-producing farms, and almost created bankruptcy for over 200 chicken-producing families, not to mention the jobs that would have been lost. Hopefully we have saved that. But that came directly as a result of efforts to subsidize and encourage ethanol from corn, which is really a very inefficient use of corn.

Nonetheless, I do support research in these areas. And at some point when we can actually create electricity into our grid in a cost-effective way, I'm all in favor of it. I'm also in favor of the use of nuclear energy. It doesn't produce any carbon dioxide into the atmosphere. And certainly anyone who "thinks green" has got to think that nuclear energy is the way to go for electricity. And other countries have taken the lead on that, such as France, with about 80 percent of its electricity produced that way.

Well, let me discuss a little bit, and I hope the camera can pick this up, this, of course, is the ArkLaTex, this is Arkansas, northwest Louisiana and Texas. And in the crosshatch here is an

area called the Haynesville Shale. Now, shale is a rock formation in which certain petroleum products are found, sometimes oil, sometimes natural gas. In this case, it is natural gas. And we have known about these deposits for many years. However, we didn't know how to get to them. The technology was not there. And something was invented called "horizontal drilling," where we can literally go down deep in the ground, turn horizontally, we can crack open the shale and we can take out the natural gas.

Now, what lesson does that teach us? Well, it teaches us that the more we advance technology, the more access to fossil fuels we have and the safer we make it. As far as safety, I will give you an example, and that is offshore drilling, OCS, where, for instance, with Hurricane Katrina, there were a number of rigs that were destroyed; however, there was not an appreciable leakage of any oil from these rigs. In fact, there is more oil in the ocean leaking today from the bottom naturally than ever from any rigs. So we know that technology, when put together with fossil fuels and with nuclear energy, is really the future until hopefully some day we can harness the power of the wind and the sun.

This Haynesville Shale is projected to contain over 200 trillion cubic feet of natural gas production, one of the, if not the, largest natural gas deposits in the world. Now, natural gas emits probably half the carbon in other products as other forms of energy such as oil, certainly much less than coal. So it is cleaner. And here in Washington, D.C., we see buses driving around, and on the side is printed "this runs on natural gas." You don't detect any odor. You don't see any smoke coming out there. There is no question that that is a better way to go. But we don't have the infrastructure yet where you can pull your car, if it did run on natural gas, to the pump and get it filled. But we can do that. It is just a simple matter of taking the initiative, and that will come with time. So we can become, as a nation, far more independent by using natural gas than we can trying to develop oil. But we still can't ignore the opportunities for oil such as in ANWR and offshore and even on Federal lands.

I will also point out that beyond the 200 trillion cubic feet of natural gas production potential, we are already seeing 10 to 20 million cubic feet of natural gas production per day in the ArkLaTex. Lots of jobs are being produced. Money is flowing in the economy, and it is really helping out northwest Louisiana in these difficult times. In fact, our unemployment level is half what it is in some States. We don't have the real estate issues that others have. And certainly it is not just because of the Haynesville Shale, but it certainly is helping. It is injecting tremendous amounts of capital into our local economy and creating thousands of jobs.

Mr. Speaker, in closing, I just want to say that the issue with the budget is still problematic. We are, again, pushing this country way over into the leftist socialist realm. Even the leftist socialists from socialistic countries in Western Europe think we have lost our marbles. They think what we are doing is crazy. Even the ones that used to criticize us for being too conservative are now criticizing us for being too liberal. Just the other day, both France and Germany said "no more stimulus packages." They think we are crazy if we want to move forward with another one. So enough is enough, Mr. Speaker. And this budget that passed the House today is way over the top. And I'm afraid that we are going to see even more coming down the pike.

So, in closing, I want to thank Mr. BISHOP, my friend from Utah, for giving me this opportunity to talk about this. And I await some more discussion about the petroleum industry and its impact through the budget.

Mr. BISHOP of Utah. I appreciate very much the gentleman from Louisiana taking some time here and going through and reminding us of options that we do have as a country, and how we should be developing those options. Gas is one of them. Oil is another one of those. We have a whole bunch. And I appreciate his leadership, as well, on a no-cost stimulus bill which has about half a hundred sponsors here in the House already.

One of the problems we do have, though, is we need to be realistic on how we are going to get from here to there. One of the options we always talk about is renewable energy. It is an important option to have. It needs to be developed. But we also have to be realistic on how we can actually get there. According to the Department of the Interior, the EIA, they have tried to estimate where we will need to be in the year 2030. And they estimate we will need about an 11 percent increase in the total amount of energy that we will be consuming by the year 2030. And if you look at where we were back in 1980 and where we need to go 50 years from that into the future of 2030, even if we were able to double the increase of biomass and renewables and double the percentage of nuclear that we are using, and making the assumption that we can actually squeeze a little bit more out of hydrogen power, this clearly shows you where we will be. The bottom three strata all are fossil-based fuel. We will not be able to turn ourselves over into that kind of alternative energy supply by ourselves. There needs to be some kind of impetus to do it. And as the gentleman from Louisiana easily said, if it is going to be a tax policy, that retards the ability because businesses will not be entering into the exploration and development. What we need to do is have a royalty policy, which simply means we are still going to be needing oil, gas and coal in the future, but if we use the royalties that are developed from the expansion

of these areas and put them into a trust fund so the United States can use it to develop the alternative sources, we can dramatically change these strata coming in here, and we can do it in a logical and realistic way, which is, once again, what the no-cost stimulus bill tries to do.

What we need to do is simply say, look, there are easy ways for us to move into a better direction if we actually use the resources that we have at hand to help build our fossil-fuel resources to help pay for the renewable resources that we need to have. It is a simple process. We should be doing it. But we are not doing it right now, which is why the American people are probably saying, take the cap off, and use the medicine the way it was intended to be used.

We have one of those other problems that goes along. I will illustrate by being very parochial right now. My State of Utah has a whole lot of public land that has a whole lot of natural gas and oil developed. Recently, the Bureau of Land Management went through a 7-year review for land management policies in the State of Utah. I want to emphasize that again. Seven years of review to come up with a land management policy. What they came up with is actually less area developed that is usable for resources than they had 50 years ago when we first came up with this process of having land management policy plans.

They actually, in this recent one, took 3 million acres out of potential production. Yet there was a cry that took place that said maybe we are trying to drill for oil and gas too close to national parks. Now, I want you, if you have a chance, to see very carefully here, this is Arches National Park outlined in green. The areas in purple around that are what actually the BLM in their land management plan, that took 7 years to develop, took off the table so they could not have any kind of natural oil or gas exploration done in those areas. Now so, far so good. But when they decided to actually produce the other leases and put them out for bid so that private industry—especially as was mentioned before, we think of big oil companies like Exxon or Mobil. Ninety percent of all the oil and natural gas that is drilled in the United States comes from small companies, names that you don't know, people that have less than 500 employees. These are the people who are dealing with these particular lease issues. When those were presented, the Secretary of the Interior decided to remove 77 leases from the table from development with two arguments. Argument number one was we didn't spend enough time to study it. He claimed that there had been a rush to judgment. Now I find that difficult because it took 7 years for the local BLM to do their work and come up with a system that was not only signed off by the BLM but also signed off by the National Park Service and also was

signed off by the State of Utah. And I especially find it interesting when we passed a \$1 trillion stimulus bill in this House even after we guaranteed that we would have 48 hours to look at it and we actually ended up having between 4 and 8 hours to look at it, that was okay. But 7 years was a rush to judgment.

The second thing he said is, well, these leases are too close to existing national parks. Now I pointed out where Arches is. And I pointed to the purple that were taken off. The stuff that is brown is existing leases right now. The stuff that is pink were leases that had been let, and the Secretary of the Interior decided to let them go through. The ones that are in red are the ones he said were too close to the national park. This one up here is in red. This all was allowed. The pink and the brown is in existence. And this is too close to the national park, even though the other leases are not. This one over here, once again, in red, was denied, taken off the table, even though this one was allowed and these are existing leases that take place.

If I were to say "this is irrational," I don't think I would be too far off the point. If I were to say that the reason these red spots were taken off is because they were subject to a lawsuit instituted by a special interest group, I would be closer to the point. The bottom line is this was not a rush to judgment. This was a 7-year, carefully hatched plan that had been reviewed by everybody in hundreds of town meetings with thousands of comments. And they are not too close to the natural beauties of the national parks. They are, in fact, miles away from them with areas that are currently being leased and developed much closer to these who are.

What is the net result of this? The net result is the State of Utah lost \$3 million last year to be put into their education system simply because those were off. And unfortunately, because of the State Trust Land system that we have in the West, many of these areas that are red have State Trust Lands abutting them that are also sterile now and not able to be used to develop funds that we need desperately in the State of Utah for our own kids.

Sometimes I'm amazed when we talk about how the impact of what we do with our oil and gas leasing and our land plans, and we don't take those ancillary effects into account. For example, this is a simple chart that compares the salaries of teachers in Montana and Wyoming.

□ 2030

Montana is the one at the bottom. Wyoming is the one at the top. And if you ask yourself, why is Wyoming starting their teachers at 20 grand a year more than Montana, it's because Wyoming is developing their resources.

There are other spin-off effects. If I want to have decent colleges, or a K-12 system in the State of Utah, I need to

develop these resources and not have them capriciously taken off the table because it was a rush to judgment or they are too close to a national park.

Now, those are some of the problems that we simply face. Like, when I was first elected to the legislature in the State of Utah, that was clear back in 1978, we had a policy at that time called a recapture, which means if you put property tax on property in the State of Utah, whatever it raises, there is a minimum the State will guarantee. If your local district cannot raise the minimum school level by local property taxes, the State will subsidize it.

In the seventies, late seventies, when I started, and early eighties, when I started, one of the unique concerns was we had a recapture, which meant there were three school districts in Utah that not only could raise enough property tax revenue to meet the minimum school level, there was enough to be taken away and given to the other districts to help the State out, which meant that every taxpayer in the State of Utah benefited. And the reason we had recapture was because there was energy development. Since the early eighties there has never been a recapture. There is nothing even close to a recapture today. And if I wanted to do a recapture, I need to develop these resources, which the BLM, Bureau of Land Management, after a 7-year study, justified. And unfortunately, because of actions of this administration, they are now taken off the table, and we are still struggling.

And what is really sad is the next time, at a different location, there was a lease sale. It was the worst attended, the lowest productivity lease sale we have had in the history of those sales because, simply, business saw what happened in the State of Utah and realized they're not going to take the chance of developing and putting their resources in an area where the Federal Government simply might change their mind.

All we need to do to solve our problems is say, look, take the cap off the medicine. It'll solve the problem. Some people say, well, we're developing too much land.

I like this comparison. If you see how much land was developed in the Clinton administration, and how much was developed in the Bush administration, I would love to go back to the years of the Clinton administration when we were actually developing more land and developing more leases for energy resources to help us meet the needs of the country. We're actually decreasing in all those areas, not increasing at the same time.

And as you noticed, as I said, the reason these were taken off the table is they were subject to a lawsuit. One of the things we have also found is a significant problem is, simply, we have become litigious-happy in this country.

We are actually up, according to the Department of the Interior, 100 percent in the amount of permits to drill that

have been applied. The wells that are completed are up 100 percent. But the environmental lawsuits are up 700 percent in the same area. That's why Utah lost those \$3 million, a 700 percent increase from the year 2000 in the amount of lawsuits that are given.

In 2008, off the coast of Alaska there were 487 leases that were let, and there were 487 lawsuits that were filed immediately afterwards. 50 percent of all the leases for energy development in the inner mountain west are right now involved in some kind of lawsuit. We can never develop our energy independence and our domestic energy policy, which will help solve our problems, if we have to continue going through this process of having continuous lawsuit after continuous lawsuit.

And who are the people that are being hurt by it? Every American that will be paying more for their airplane tickets and their ball point pens and their shoes and their fertilizer, because we're adding more taxes on the oil industry, and every kid that goes to school in the West, because we cannot afford to fund the program because the money has been taken out because we simply have decided not to take the cap off and use the resources we have to help solve our problems. We can create jobs and we can stimulate this economy if we just do things in a logical and rational way.

Now, Mr. Speaker, I have been joined here by the gentleman from Pennsylvania, another great new Member of the House of Representatives who is adding a great deal to the style of this body and the substance of our debate by his understanding of the issues. And even though Pennsylvania is considered an eastern State, we consider him a westerner because he faces the same issues in his part of Pennsylvania that we face in the State of Utah, maybe just with not quite as much public land, but the same issues.

I wish to yield time to the gentleman from Pennsylvania (Mr. THOMPSON).

Mr. THOMPSON of Pennsylvania. Well, I thank my good friend and colleague from Utah. You know, America does have an energy addiction. There's no doubt about it. But it's an energy addiction to foreign energy. And it's an addiction that's just absolutely unnecessary. We are facing a crisis in the fact that over 70 percent of our energy resources we obtain from foreign countries. Many of those countries are those that, frankly, don't like us very much, and they take our money willingly, but what they use it for could potentially easily do us harm in the future. And that's wrong. That's a threat to our economy.

And we know that we have been spending a lot of time in this body talking about the economy in the past 3 months since I came to Congress. And it's a threat to our national security.

So what are the—such a looming crisis that we're experiencing every day, and what's the solutions that my colleagues on the other side of the aisle,

our Democrat Party solution? Well, we saw that just a couple of hours ago with the budget that was proposed. That was cap-and-trade. That's how we address energy. We put a tax on everything. We put \$1.8 trillion in taxes.

Now, The White House's budget showed somewhere around \$630 billion of new taxes that we placed on. But I know that there was a briefing on the Senate side with somebody from, a White House staffer that was able to talk that actually the impact on the economy will be triple that. We're talking \$1.8 trillion.

I've got to tell you, Mr. BISHOP, before I came to Congress I didn't know how many zeros were in a trillion. That's a new skill for me. Unfortunately, it's a sad skill to have to have and have to profess here.

We're looking at broken promises. The President promised that 95 percent of all Americans would have a decrease, see their taxes decrease. Well, that promise has been broken with cap-and-trade, because cap-and-trade puts a tax on just absolutely everything.

In Pennsylvania alone, it's estimated that our energy costs, the cost of turning on your electrical switch, is going to increase by 40 percent. And that's going to increase, and then you have the tax on everything, anything that's produced or consumed, if it's made with carbon or it's got a carbon footprint which is, you know, we took pride in that, that that advances our economy and our society, but today it's a bad word. But that, anything that uses that puts a tax today.

Well, that's going to impact everybody, businesses industries, families. But I've got to tell you, the people I feel—I'm scared most for are the people that are living, just barely getting by, paycheck to paycheck, those folks who are poor, those who are not making it today. And just the electricity costs alone are going up by 40 percent in Pennsylvania. Cap-and-trade, cap-and-tax, that's a war on the poor. And what that's going to do to people that are just living, just barely getting by today is, it's absolutely unacceptable. It's just not bad policy, frankly, it's harmful.

Now before I came to Congress, I worked 28 years in health care. I actually thought that I was going to retire in nonprofit community health care. And for me that meant that hopefully they'd have a nursing home bed for me when I got to the end of my career in nonprofit community health care.

But one of the things I learned first in my health care career was, do no harm. And I use that in my decision-making here on the House floor. The first thing in terms of any type of public policy is, do no harm. And that's something that would serve all of myself and my colleagues to remember in the public policy we're doing, especially on this energy debate, because cap-and-trade is harmful.

Now, we have great potential, I think, for moving towards and accom-

plishing energy independence. Let me talk a little bit about that, starting with domestic oil.

150 years ago this year, and actually, the third week in August, in Titusville, Pennsylvania, Colonel Drake drilled the first well ever in the history of the world and produced energy, produced oil. And that's something we take great pride in. And we have tremendous domestic oil resources today that we have not been utilizing, that we could be utilizing to not just be dependent on foreign sources, but what a great economic stimulus that would be to take that \$700 billion that we send overseas every year and invest that in American energy-producing companies that hire American workers. That's the best stimulus that we could have done, and that's the stimulus that we need to do, and it will be the first stimulus that we do out of this Congress that will be effective in this congressional cycle.

Let me talk about natural gas. Credible, clean energy. And we have lots of it. The Outer Continental Shelf. We certainly have it throughout my district. We have the third largest natural gas play in the world that goes through Pennsylvania, 15 of my 17 counties, wonderful, clean, natural gas that's available. And we have at least two bus lines in my Congressional district that runs on compressed natural gas. It's clean, it's cheaper, and it's a good resource, and we need to be using more of that.

Nuclear. We haven't built a new nuclear plant in how long? Countries such as France are way ahead of us. Nuclear energy has come a long way since the days when we were concerned about accidents. It's clean, it's safe and the technology advancements are wonderful.

Coal. We have, my district, I'm proud of the fact that we have a tremendous amount of coal. We have a history of providing coal for the country. And, in fact, we've got great educational institutions in my facility, we have lots of them, but one in particular is doing some wonderful research on coal sequestration techniques. And that technology is being developed with the researchers that we have right in rural Pennsylvania where we have these vast coal resources to be able to use.

And then alternative energy. And I do believe in all of the above and support an all-of-the-above approach to addressing our energy independence. But if you take the alternative energies today, where we're at today with solar, with wind, we're looking at producing less than 1 percent, meeting less than 1 percent of our energy needs. So let's say we work real hard and we double that. All right. That's 2 percent. We're a long ways off from fulfilling and meeting the energy needs that our country has today.

We need to be able to use our domestic resources, oil, natural gas, coal, and continue the research and development of alternative energies.

I'm very proud of the higher education institutions that I do have in the district that are working also on developing these alternative energy sciences. But as I talk with those researchers on alternative energies, they tell me that the best hope for the future, to be able, at one point, to be able to replace the use of fossil fuels perhaps is solar at this point. But even with that, they tell me it is generations and generations away from being developed to the point where we can actually fill that gap.

So for us to be energy independent, to meet our economy needs, to provide good jobs for Americans, producing domestic energy and for our national security, we really need an all-of-the-above type solution to our energy.

So why are we dependent on foreign energy?

Well, the best way to do that is, let me illustrate with a bit of a riddle. My alma mater, I've talked about Penn State. We have a great winning football coach, Joe Paterno. How'd you like to be in your mid eighties and just get a 3-year extension on your contract? He's a great guy and he's got a great record.

So here's the riddle. What's the difference between Coach Paterno's winning record and America's energy policy? Well, actually Coach Paterno's winning record really is there, it really exists. We do not have, America has never had an energy policy. And, in fact, the biggest barrier we have to American energy independence, and American economic independence using our energy resources, has been the Federal Government. And it's time for that to stop.

And let me share with you a living example of how government gets in the way of using domestic resources, domestic energy resources. In my district, in the northern part, we have this wonderful four counties, it includes the Allegheny National Forest. It's 513,000 acres. It's a wonderful area. It was formed back in 1923. 85 years it has existed, and it was formed for the purpose of providing a sustainable timber supply for industry, and also to supply sustainable energy, specifically, oil to begin with, and now natural gas that is drilled in the forest.

And, in fact, the Federal Government, in its wisdom in 1923, when it secured all these lands to form this national forest, chose not to secure the private property subsurface rights, the mineral rights there. And the reason for that was because it felt that private property owners would be better able to access and to produce the energy that is contained in those minerals, the oil and the natural gas that is there today.

□ 2045

Well, that has worked well for us for approximately 85 years. Just about a little over 70 days ago, the Forest Service, who manages that, decides to no longer proceed with what's called "notices to proceed." That's basically the



green light to be able to go after the oil and the natural gas that our country needs to fuel our needs. It's domestic energy.

Now, the impact of that in just 70 days has been, as you can imagine, on the businesses. First of all, it's an attack on those who own the private property rights, which is wrong. We respect private property rights in this country, but then there are the businesses, the drillers who go after the oil. We haven't had a new start on a well in over 70 days. You have the schools and the counties and the municipalities that rely on that, that being the big part of our economy in those four counties. Then you have the families, the families who depend on those jobs, and we have seen job loss, and we have seen people's hours being cut back across the board in many different industries. It's just not the drillers. They're the individuals who are involved with the small excavating companies, who come in to clear the access road. They're the folks who work in timbering, who remove the timber to be able to open up those areas for drilling.

You have to remember that this is something we have worked well together on with the Forest Service for 86 years. It has been a great partnership of making sure that we provide the resources that America needs. Then, all of a sudden, the Forest Service, because of lawsuits by environmentalists, has shut this process down. It has shut down the economy in the four counties, in the Allegheny National Forest and in those counties that depend on that economy around it. Well, that's wrong. That's absolutely wrong.

You know, America has the ingenuity. In terms of being energy independent and in using our resources, we've got the ingenuity. We've got the resources. We've got the American spirit. We've got people who work hard in those industries, I mean long days, days that a lot of Americans wouldn't want to put in, but they do that because that's what they enjoy; that's their passion, and they help to provide the energy resources that our country needs.

As I said before, the biggest barrier to accessing these domestic resources, to accessing America's energy resources for America's being energy independent, has been our own government. It's time for smart government energy policy.

Again, I propose that the best stimulus that we could ever do for our economy would be to access all of our domestic energy resources. That would be oil, natural gas, the building of nuclear plants, the use of coal, the development of the alternative energies at the same time, concurrently. As we do that, we put American energy-producing companies to work that are hiring American workers.

I thank my friend and colleague from Utah for the opportunity to join him this evening.

Mr. BISHOP of Utah. I appreciate Mr. THOMPSON from Pennsylvania for going through many of the significant issues that have to be addressed and that can help us solve our budgetary problems if we just provide people options and take the cap off and let them use the medicine.

He did mention one of those, which is cap-and-trade. Now, we did a great deal of talking this week about how we're not going to raise taxes on middle-income individuals, but we've already talked about how the \$80 billion tax increase for the oil industry alone is going to be passed on. Cap-and-trade, which the gentleman also mentioned, has the same individual effort. It has been estimated that cap-and-trade will cost about \$1.9 trillion, and that comes out to an average per household of just under \$2,000 a year for the next 8 years.

For those people who are now going to have to come up with that under the cap-and-trade approach, they either have to make \$2,000 a year more every year or find some way of cutting back. To help them out, the Bureau of Labor has come up with some statistics that show what the average family does spend.

For example, on all of their meat, their poultry, their fish, eggs, dairy products, and fruits and vegetables, the average family will spend about \$1,700 a year. Well, that's not quite enough that they'd have to cut. For all furniture, appliances, carpets, and other furnishings, the average family spends about \$1,700-plus a year. If you just do clothing, the average family spends \$1,800 a year. For electricity and energy needs, the average family spends a little over \$1,700. In property tax, the average family hits again \$1,700.

Those are some ways that people could actually afford the cap-and-trade or cap-and-tax program because—I'm sorry—whether we say it's a tax increase or not, it's going to cost average Americans.

Mr. GARRETT of New Jersey. If the gentleman would yield.

Mr. BISHOP of Utah. I'll yield to the gentleman from New Jersey.

Mr. GARRETT of New Jersey. Just a point on this:

For those who were watching the debate—and it went on all day yesterday on this issue and for hours long during today as well—there were assertions on the other side completely made over and over again. Any time we raised this issue as far as the tax on the American family and individuals as well and as to whether it's going to be \$1,600 or \$1,700—you said it's under \$2,000—there was an assertion on the other side of the aisle that it's not in there. That's not true.

Ranking Member RYAN, I think, had the definitive statement on it. It's not us making those statements. It's not even outside organizations making those statements. Although, outside organizations have, in fact, confirmed that that would be in place. In fact, it was our very own, nonpartisan CBO,

Congressional Budget Office, that came up with that figure. So it is in there. It is relevant, and it has been documented.

I just wanted to reinforce that point.

Mr. BISHOP of Utah. I appreciate the gentleman from New Jersey for pointing that out because, once again, we provide options for people. We take the cap off the medicine, and we can still solve all of our own problems. Let me talk very quickly about two final points:

One is the concept that we can change to green energy jobs. I call it the "myth of green energy." This administration has praised Spain, and has said that they should be an example we should follow as a country who has achieved long-term growth, going down a massive subsidization of green energy jobs.

The only thing I worry about, according to their most recent studies of what has taken place in Spain, is that their green energy efforts simply have hindered their way out of their current economic crisis because, for every green energy job that was produced, it required a subsidy between \$30,000 and \$100,000. The total cost to Spain was \$36 billion. The energy increase to Spain was a 31 percent increase for average people in Spain for their energy increases. I hate to say this, but for every energy job that allegedly was created, there were 2.2 jobs that were killed as a result of them. This is actually a job loss.

One of the problems we have in doing that is, simply, there is no definition of what is a "green job." In reality, as we found once again in Spain, clerical work, bureaucratic work and administrative jobs are now considered green jobs. The net effect, though, still in Spain is, for every job they created, they lost 2.2 jobs.

Now I would like to just say in some conclusion to this—and we could go on and talk about a lot of other things—that there is the issue of offshore drilling in which the previous administration had a 60-day comment period. This administration has decided to put in an unprecedented 6-month comment period as if we don't know what we're doing already.

There is the issue of oil shale in my State, and once again, this administration has decided to stop the development of leases and the development of resources for oil shale. In conservative estimates, there is three times the amount of oil potential just in the States of Utah, Colorado and Wyoming than there is in Saudi Arabia.

But I want to remind people of why we're talking about this issue of energy as it relates to the budget at all. One of the things we as a government ought to do is try to avoid pain. I realize that there are some people who have said it's a shame to waste any crisis, but one of the things, maybe, that we should be trying to do is to prevent future crises.

I think some of us can remember back to last fall when gasoline was

over \$4 a gallon and how terrible the situations and lifestyles were back then, which have now been placed on the back burner because it's not so frantic and not so necessarily needed, because we faced one of the unique phenomena that has happened only once in the world, which is that the entire world dropped their consumption of oil. We are now consuming 1.4 million barrels in the world less than we did last fall when it was \$4 a gallon. Our experts tell us that that will probably continue through the year 2009, but come 2010, it's going to go right back up. Since the United States has yet to solve its energy production problems—not for the short term, not for the long term because we refuse to take the cap off the medicine and make options for people—we still import 40 percent of our energy from foreign countries. We are still bound and determined to do whatever Hugo Chavez wants in some particular way.

For whom are we fighting? Remember last fall for whom we were fighting—for the people in my State, for the kids who need their education, for the 1,100 airline employees who were laid off when 100 planes were taken out of one company's system, for the Ethiopian cab driver here in Washington, D.C. who told me that he had to drive 2 hours every day longer to make up because of the high cost of energy and that, for the first time in his life, he was not able to be home when his kid came home from school, for the father in Virginia who refrained from going to fathers' and sons' activities because he couldn't afford the cost of gas, or for the Wisconsin high school that tried to have a fashion show to show kids how they could dress warmly in fleeces and in zipped sweaters and try and compensate in that particular way, or for North Dakota where they cut their schools back to 4 days a week, or for a district in Iowa that decided the only kinds of trips they could go on were going to be athletic events—no more choir, no more field trips, no more junior high trips whatsoever, even for the American Defense Department, which saw its energy budget go from \$3 billion to \$13 billion a year just because of the increase of gas, or for the church in Vermont that found itself with a \$10,000 increase in its electrical bill out of the blue, or for the nurse in Chicago who dropped cable television in an effort to try and solve her problems, or for the elderly people who no longer went on trips, or for the guy in St. Paul, Minnesota, who only went out if he were in his electric wheelchair because he could recharge it for free in his apartment.

In this country, when we talk about energy policies, we talk about them as if they were some ethereal concept that was out there, an abstract concept. It's not. When we talk about our energy policy, we are talking about how people cook their food and how they heat their homes, and we create jobs because of it. For every dollar that

is spent on energy for those people who are in the most vulnerable situations, for those who are in the lowest half of our economic stratum, for every dollar they have to spend on high-energy costs, it was a dollar they couldn't spend on a luxury like Hamburger Helper.

It is energy that is the great social equalizer. It is energy that creates economic opportunities, and this country has more energy imprisoned than most countries have. All we need to do is to try to tap into that potential, for when prices increase—and they will again—jobs will be lost; income vanishes; social programs suffer; America suffers at the same time, and it hurts those who are on fixed incomes and those who are on the poverty level the most. That's 45 million people who are on fixed incomes. You see, if the social and economic elite of this country can easily solve this problem, if you're rich, the high cost of energy is nothing more than an inconvenience.

We had Presidential candidates who would fly around the country in three different jets one day, and it was okay. All they had to do was buy a carbon offset for it. We have a former political leader whose home consumes 20 times more energy in one day than an average family will consume in a year, and it's okay; he can just buy an offset. It's like going back to the medieval time period. An ancient duke or earl, if he did something wrong, could go out and buy an indulgence, and his life style would go on the same without any kind of impact.

If you're rich, that's what the energy crisis means to you, but if you're poor, that's when you hurt. That's when you have to decide whether you're going to pay for gas or for heating or simply for food. That's who gets hurt the most. Eleven percent of a rich person's income goes for energy consumption. For anyone at the poverty level, 50 percent goes for energy consumption.

This country has the ability of solving that problem. Think of all the great inventions this country has done. In 1784, we came up with bifocals; in 1805, refrigerators; in 1849, the safety pin; 1867 was a great year because this country came up with the typewriter, barbed wire and toilet paper all in one particular year. And we can't come up with a solution to this problem?

We can if we, once again, unlock the potential within every American and offer them options and then give them rewards for those options.

England had no idea in the 1700s of how to chart the ocean, so they asked for a competition, for somebody to come up with the answer. In 1714, a clock maker came up with the system of longitude and latitude that we are still using today. Napoleon didn't know how to feed his troops. He came up with a competition, and in 1810, the concept of vacuum packing that we use today was developed. Even Lindbergh, when he flew across the Atlantic, was responding to a competition established by a newspaper.

All we need to do is unlock the potential of Americans. We have the potential. We need to have options. We need simply to have the government take the cap off the medicine so America can grow. If we do that, we can solve our energy problems. We can have energy solutions into the future, and we can solve our budget problems all at the same time. They are inter-related, and this is where America simply needs to ask their government to take the cap off.

Let us grow. Let us succeed.

Mr. Speaker, I appreciate your patience, and I appreciate the time. I yield back.

#### THE GREAT ECONOMIC HOLE

The SPEAKER pro tempore (Mr. NYE). Under the Speaker's announced policy of January 6, 2009, the gentleman from Massachusetts (Mr. FRANK) is recognized for 60 minutes as the designee of the majority leader.

Mr. FRANK of Massachusetts. Thank you, Mr. Speaker.

I want to address what is one of the major issues that is now confronting the country. We have the problem of digging out from under the great economic hole in which we find ourselves, not just here but worldwide, but as we do that, it is important that we take steps to make it much less likely that we'll be in such a difficult spot again. It's a hard thing to do simultaneously—to recover from a serious problem and also to prevent its occurrence.

□ 2100

I want to talk today about what we have to do to prevent its recurrence. Now, obviously, to prevent its recurrence, you need to have some sense of what caused the problems. There are two competing theories. The one that I believe, that the President believes, that he is in Europe today discussing—and which a wide variety of European thinkers somewhat inaccurately said today on the floor from the other side, It was the socialists in Europe who were pushing the President. Well, those socialists were primarily the conservative Christian democratic Chancellor of Germany and the conservative Gaullist President of France. They are the ones who were saying we have to come together and improve financial regulation.

In England, when I became the chairman-in-waiting in 2006 after that election, I was told that we in America should emulate Great Britain. I was told this by conservatives, by people in the financial industry. Great Britain, we were told, had the financial services authority that used the light touch when they regulated.

The head of the financial services authority recently announced the era of light touch, of soft touch regulation is over. That bastion of regulatory flexibility now says we erred with too little regulation. Unregulated credit default